IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF DELAWARE

MLMC, LTD.,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. 99-781-SLR
	)	
AIRTOUCH COMMUNICATIONS, INC., et al.,	)	
	)	
	)	
Defendants.	)	

MEMORANDUM ORDER

At Wilmington this 4th day of September, 2002, having reviewed plaintiff's motion for reconsideration and the papers submitted in connection therewith;

IT IS ORDERED that said motion (D.I. 576) is denied, for the reasons that follow:

1. In its motion for reconsideration, plaintiff MLMC, Ltd. ("MLMC") requests the court to modify its prior ruling that MLMC is estopped from asserting that claims 18, 19 and 20 of U.S. Patent 4,555,805 ("the '805 patent") are infringed by defendants under the doctrine of equivalents.

2. More specifically, the court in a November 6, 2001 memorandum opinion and order granted defendants' motion for summary judgment of non-infringement of the '805 patent. (D.I. 512, 513) Reading together the claims, written description, and prosecution history, the court construed the disputed claim limitation "enciphered" as "transmission of information in a

secure mode; i.e., the transmitted output is encoded (as by logically scrambling the signal)." (D.I. 512 at 14) The court construed the disputed claim limitation "unenciphered" as "transmission of information in a clear, not secure mode; i.e., the transmitted output is uncoded." (Id. at 15) In so doing, the court rejected plaintiff's argument that the construction of enciphered and unenciphered should reflect the level of security that a transmission provides, such that the difference between the two terms depends on how "readily detected and monitored" a transmission is. (Id. at 15-16; see D.I. 433 at 3) The court reasoned that plaintiff's suggested constructions of the limitations were subjective and did not comport with the use of the terms in the '805 patent or in its prosecution history. Of importance to the issue now pending, the court opined that the patentee "recognized that different types of codes provided differing levels of security, but . . . never suggested that this defined the difference between the terms 'unenciphered' or 'enciphered.' Rather, [the patentee] drew the line between 'unenciphered' and 'enciphered' as being either **un**secure or secure, not at some subjective level of security that would vary with the sophistication of potential eavesdroppers." (D.I. 512 at 16)

3. Based on the above, the court found that no genuine issue of material fact existed with respect to literal

infringement of the '805 patent by defendants' CDMA systems, which do not use unenciphered signaling transmissions. The court further found that, because the patentee made narrowing amendments to limitations in claim 18 for a reason related to the statutory requirements for a patent when it added "unenciphered," plaintiff was estopped from asserting infringement under the doctrine of equivalents. The court relied on the Federal Circuit's decision in Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 234 F.3d 558, 566, 569 (Fed. Cir. 2000), for its decision.

4. On May 28, 2002, the Supreme Court of the United States reversed Festo and rejected the Federal Circuit's bright line test in favor of the previously recognized flexible bar to equivalents. Festo, 122 S.Ct. 1831, 1840 (2002). The Supreme Court found that prosecution history estoppel arises "when an amendment is made to secure the patent and the amendment narrows the patent's scope." Id. at 1840. Where estoppel arises, the next question is "what territory the amendments surrendered." Id. at 1842. The Court stated that narrowing amendments to a patent during prosecution raise a presumption that "the territory between the original claim and the amended claim" has been disclaimed. Id. The burden is on the patentee to show the amendment did not surrender a particular equivalent. Recognizing a flexible bar to equivalents, the Court stated there are

circumstances "where an amendment cannot reasonably be viewed as surrendering a particular equivalent." Id.

> The equivalent may have been unforeseeable at the time of the application; the rationale underlying the amendment may bear no more than a tangential relation to the equivalent in question; or there may be some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question. In those cases the patentee can overcome the presumption that prosecution history estoppel bars a finding of equivalence.
>
> . . . The patentee must show that at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent.

Id. at 1842.

5. In plaintiff's motion for reconsideration, plaintiff primarily argues that, at the time the patent amendments were made, the patent inventor could not have foreseen the equivalent plaintiff seeks to claim. In support of its motion, plaintiff has submitted the affidavit of the inventor declaring the unforeseeability of the alleged equivalent and argues that such a declaration creates a triable issue of fact precluding the entry of summary judgment. (D.I. 577 at A-357)

6. In his declaration, the inventor states:

> In order to obtain the claims in my '805 patent, I had to distinguish my invention from the art that set up the call in a secure mode. Indeed, I recognize that I surrendered systems that set up communications through the initial signaling communications that are

> secure. I **did** not however surrender claims to systems that use unsecure signaling communications.
>
> At the time I amended the claims in my application to add the term "unenciphered" to describe the signaling communications, it was not foreseeable that someone might use a scrambling code that was known or easily obtained and not intended to provide secrecy to the signaling communications. As I explained in my deposition, the difference between a signal that is secure and one that is in the clear, was that for a signal in the clear there was no attempt to disguise the signal, or in other words, no one cared if anyone heard what was being transmitted.
>
> CDMA, which is a spread spectrum system, was not introduced to the public market until the mid 1990's and thus it is not reasonable to have expected me or my counsel to have drafted a claim that literally covered CDMA. In view of the fact that there were no systems that I was aware of at the time my claims were amended to add "unenciphered" that described a system that used **non-secure/non-unique coding** to establish a communication path, it was not reasonable to have expected one in the art to have drafted a claim that would have literally covered a system in which **nonsecret, publicly available codes** were utilized in the signaling communications.

(Id. at A356-57) (emphasis added)

7. While recognizing that the court's November 2001 doctrine of equivalents analysis no longer pertains, nevertheless, the court reads plaintiff's new equivalents argument as a repeat of its rejected claim construction. In other words, the averment that the inventor could not have

foreseen the fact that **nonsecret, publicly available codes** would be used in the signaling communications, even if true, is irrelevant under the court's claim construction requiring that "unenciphered" transmissions be uncoded. To allow an equivalent under these circumstances would nullify the court's claim construction. Given the fact that the court is not inclined to revisit the issue of claim construction and that the Federal Circuit will review claim construction de novo as a matter of law, the court concludes that the interests of justice are better served by denying plaintiff's motion for reconsideration and allowing the parties to appeal the entire case to the Federal Circuit.

IT IS FURTHER ORDERED that plaintiff's motion for certification and entry of final judgment (D.I. 587) and defendants' request for reinstatement of their counterclaims and renewal of various motions for summary judgment (D.I. 578) are denied as moot in light of the above.

Sue L. Robinson
United States District Judge